GOVERNMENT OF INDIA
COMMUNICATIONS
LOK SABHA

STARRED QUESTION NO:388
ANSWERED ON:21.08.2000
NATIONAL LONG DISTANCE TELECOM SYSTEM
SUSHIL KUMAR SAMBHAJIRAO SHINDE

Will the Minister of COMMUNICATIONS be pleased to state:

(a) whether the Government have decided to deregulate the National Long Distance Telecom System (STD Telephony) and curb the monopoly of the Videsh Sanchar Nigam Limited on the international bandwidth access;

(b) if so, the details thereof along-with the reasons for taking such a decision in this regard; and

(c) the manner in which the activities of private and the Government agencies are likely to be harmonised under the new regime?

Answer

THE MINISTER OF COMMUNICATIONS (SHRI RAM VILAS PASWAN)

(a) to (c): A Statement is laid on the Table of the House.

STATEMENT IN RESPECT OF LOK SABHA STARRED QUESTION NO. 388 FOR 21ST AUGUST, 2000 REGARDING NAT LONG DISTANCE TELECOM SYSTEM

The New Telecom Policy, 1999 (NTP-99) clearly mentioned that the National LongDistance Service will be opened for competition w.e.f. January 1, 2000. It had also been announced at the time of the meeting of Information Technology Ministers on 15th July, 2000 that guidelines for this purpose will be finalised before 15th August, 2000. In accordance with these decisions, the guidelines for issue of licence for National Long Distance Service have been announced on 13th August, 2000 after due consultations with the Telecom Regulatory Authority of India. A copy of the guidelines is attached.

2. In order to promote faster growth of the Sector, two categories of infrastructure providers have been recognised. One will provide dark fibre, etc., and the other end-to-end bandwidth. The former category will neither require licence nor entry fee. The latter category will require licence with revenue sharing on the lines of NLDO and will have unrestricted entry without entry fee.

3. The monopoly of VSNL is confined to International Telephony Service. Therefore, Software Technology parks and Internet Service Providers are already accessing international bandwidth for transmission of data only.

4. The opening up of National Long Distance Telephony forthe private sector will lead to competition and better services, particularly by way of enhancing the availability of domestic bandwidth.

5. The activities of the private sector will be governed as per the terms and conditions of the licence and will be regulated by the Telecom Regulatory Authority of India in accordance with the Telecom Regulatory Authority of India Act, 1997, as amended from time to time, to ensure fair competition and protection of consumer interests.